

John Olaf Nelson Water Resources Management

1833 Castle Drive, Petaluma, CA 94954

Ph: 707 778-8620 Fax: 707 778-3566 Cell Ph: 707 291-9862 E-mail: jonolaf@home.com

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To: Water Advisory Committee and Interested Persons

Subject: **Report on issues Identified in Workshop No. 1**

The following report was prepared by John Olaf Nelson Water Resources Management (JONWRM) with input from Professor Tom Jacobson. Tables and Appendixes are at the end of the report including comments received. Comments are also summarized by topic, key issues identified, current agreement provisions concerning same noted and possible responses to consider suggested. A draft Vision Statement is also presented for review and consideration.

Background

Currently three separate agreements cover water service to the major cities and districts obtaining water from the Sonoma County Water Agency (SCWA) transmission system, the Eleventh Amended Agreement for Water Supply (11th Amended Agreement), the Memorandum of Understanding Regarding Water Transmission System Capacity Allocations During Temporary Impairment (MOU), and the Supplemental Water Supply Agreement providing water to Marin Municipal Water District. The 11th Amended Agreement and Supplemental Water Agreement are long-term agreements and include language that contemplates renewal for additional 40-year periods. The MOU is expected to be short term and sunsets in 2005 unless extended by the parties.

Given issues concerning: the need to better service the water needs of customers; meet the challenge of building new system elements; implement conservation, recycling and standby or augmented local supply; understand and respond to the challenges of preserving species required by the Endangered Species Act (ESA); manage and care for the Russian River; diversions from the Eel River; and planning and managing a vital municipal water supply system among all of these interrelated and often competing matters; given all these issues, the SCWA and its Water Advisory Committee (WAC), joined by Marin Municipal WD and the Town of Windsor, seek to negotiate a new water supply agreement. Furthermore they wish to include in the process a serious effort to reach out and seek input from the public and keep the public informed and involved as the negotiation process unfolds. In August, JONWRM was hired by the parties to act as a facilitator for this process. A subcontract with Sonoma State University provides that Tom Jacobson, Associate Professor of Environmental Studies will provide lead facilitation services at the public workshops and other valuable assistance.

The parties committed to participate in the new agreement negotiation are the Cities of Cotati, Petaluma, Santa Rosa, Rohnert Park, and Sonoma; the Town of Windsor; the Forestville, North Marin, Marin Municipal and Valley of the Moon Water Districts; and, the SCWA – eleven in all. They have adopted a work plan, have named their lead negotiators and have funded consultant facilitation costs.

The parties have approved a schedule. It calls for completion of negotiations within two years. Currently the plan contemplates six public workshops to be held on Thursday evenings. The first workshop was held on September 20th and is the subject of this report. The plan for the remainder is:

December 6, 2001	Discuss Issues (City of Sonoma Veteran's Hall)
February, 2002*	Discuss Agreement Framework
April, 2002*	Review Initial Draft of Agreement
July, 2002*	Discuss Endangered Species Act Issue
March, 2003*	Review Final Draft of Agreement

* Location and date yet to be scheduled.

These workshops are in addition to traditional opportunities the public will have for commenting on the proposed new agreement, such as presenting statements at public hearings held by the parties, approaching elected officials, etc.

In addition, the parties have funded a website for posting of information, notices and the current schedule and for obtaining comments. It became fully operational by the date of the first workshop.

To access the website, go www.scws.ca.gov, then, in succession click on "WAC", "New Agreement" and "Public Outreach". Persons who do not have Internet access, are welcome to mail or fax comments directly to: John Olaf Nelson Water Resources Management, 1833 Castle Drive, Petaluma, CA 94954, Fax: (707) 778-3566, Email: jonolaf@home.com.

Workshop No. 1

The purpose of Workshop No. 1 was to identify issues to be addressed in the new agreement and gather information for a vision statement for the parties to the new agreement to consider. The workshop generated a large list of issues from the participants, but it appears to JONWRM that many technical and detailed issues residing among the parties to the agreement have not come forth – the preference of the parties apparently being to use the workshop mainly to hear what the participating public had to say.

Design of the workshop was accomplished in July and August and a notice (Attachment 1) was mailed to 4,692 addresses on August 23, 2001 based on address lists supplied by the parties. Largest among these were the EIR notice lists developed by the SCWA for the water supply and transmission system project authorized in the 11th Amended Agreement, the EIR notice list of the City of Santa Rosa regarding its regional waste water project, the list used by the City of Petaluma for the water forum it hosted in 2001, and the list used by the Petaluma for notice of its new general plan process). Lists were culled for duplicates. Pipe and other vendors located outside of the area were also deleted. The notice warned recipients that to remain on the mailing list they needed to return the sign-up slip included on the notice. As of October 15th, 161 have done so.

Workshop No. 1 was held as scheduled on September 20, 2001, nine days after the terrible events of September 11th and the same evening the President addressed the nation and Congress. The Agenda, approved by the WAC, is shown in Attachment 2. The report entitled "Background Information for New Water Supply Agreement Negotiation", prepared by JONWRM and distributed to the WAC at its November 1st meeting, was handed out at the workshop. Accompanying slides were also prepared. Both the background report and slides can be viewed at the "Public Outreach" tab of the New Agreement website:

One hundred and three persons attended the workshop. A breakout of who the attendees were is shown in Table 1. Participants were broken up into 5 brainstorming groups. Participants generated the several hundred verbatim comments shown in Attachment 3 (this attachment, although not labeled as such, was handed out at the WAC meeting of October 1st). Included are 67 comments that were received on 3 x 5 inch cards handed out at the workshop. Some comments addressed more than one issue and some set forth questions or pointed out data needs. The latter are separately listed on Attachment 4.

A breakdown of the comments by general topic is:

- Project implementation/financial issues (68)
- Water conservation and recycling issues (68)
- Environmental issues (85)
- Agreement governance issues (58); and
- Other issues participants could think of that should be Considered in the agreement or vision statement (74)

About ten minutes was made available for brainstorming each topic except “environmental issues” which was allowed a little more time. Responses on a given topic often crossed over to one of the other topics.

A question was posed for each topic. It was presented in two parts. On the one hand participants were asked for comments on what practices have been effective under the current agreement and on the other, what issues need to be addressed in the new agreement. Virtually all of those commenting chose to spend the time commenting on issues.

The next step was to summarize the comments more specifically to see where the “action” was. Nineteen main comment areas were identified together with a number of subsets. The results of this process are contained in three tables.

Table 2 provides an overall comment count by main issue or comment area,
Table 3 shows just the key issues (those issues mentioned most frequently), and
Table 4 shows a detailed breakdown of comments by issue or comment area.

A total of 354 comments organized by issue were received. This tally does not include 35 questions or queries about data needs. Also not included are the few comments addressing what has worked well in the existing agreement.

It is noted that comments offered at Workshop No. 1, though numerous, do not encompass the universe of comments, but rather just represent what came up at the workshop.

Issues that Fall Outside of the Scope of the Negotiation Process

Before launching into review of the comments, it is necessary to explain why some issues raised cannot be responded to.

As noted above, the parties have entered into agreements for the common purpose of obtaining water for municipal supply purposes from the Russian River via the SCWA transmission system and the Russian River Project (the dams and lakes that make water available to the transmission system). The three agreements noted above provide the legal relationship between the parties. The parties have agreed to negotiate a single new agreement. Issues enumerated below fall outside the scope of the negotiation process.

Governance: Comments that the decision makers of any party to the negotiation be changed, such as suggestions the Board of Directors of the SCWA be a separately elected board, are outside the scope of the negotiation process. The parties to the negotiation are all duly constituted government agencies and have all expressed the intent to pursue negotiation of a new water supply agreement. Should any person or entity wish to seek a change in how any party is governed, the process involves changing state law by

pursuing the normal means available to do so.

Growth Limits: Other than stipulating the amount of water necessary to accommodate adopted general plans, growth limits are not appropriate for the agreement. Decisions on how many dwelling units shall be allowed, how much land developed, etc. are within the purview of agencies that have the power to promulgate general plans. Growth impacts are analyzed as part of the general plan development and approval process.

Gravel Mining Permits/Fees: Decisions on permits issued and fees charged for gravel mining operations in and about the Russian River are under the purview of the County of Sonoma, which maintains an Aggregate Resources Management Plan.

Flood Control Operations and Permits: Countywide flood control operations are a function of SCWA and are financed in main by a countywide tax. Similarly, special flood control districts exist in Marin and Mendocino County. The water supply service areas of the water contractors are not countywide. Permits for building in the flood plain are within the jurisdiction of agencies that approve and implement general plans.

Recap and Discussion of Comments

The following sections recap and discuss comments made at the workshop. Table 4 shows the comments segregated into main issue/comment categories. The discussion in this section covers each of these categories except “Comments on the Workshop No. 1 Process” – these will be kept in mind for future workshops, and “Miscellaneous Comments”. Issue/Comment areas are presented in order based on the frequency of being mentioned. With the help of Table 3, which lists key comments (those mentioned most frequently), summations were determined. Bullets enumerate these and some other comments from Table 4 in descending order based again on the number frequency of being mentioned.

Included under each heading is a discussion of how these issues are addressed in the 11th Amended Agreement and/or the MOU. Lastly, some “possible responses to consider” are suggested. These possible responses are offered by JONWRM to stimulate additional discussion of how the new agreement might address issues raised to date. They are not intended to limit that discussion. Comments concerning issues that fall outside the scope of the negotiation process (see prior section of this report) are included in the summaries but no responses are suggested for these.

Conservation (62 comments):

This issue area generated the most comments - possibly because everyone in the audience is a consumer and could relate to this issue personally or has come in contact with the information and water conservation offers being made by the parties. The key comments from participants were:

- Conservation incentives should be the focus and need to be expanded.
- More and better information and public involvement is needed. (A centralized conservation website and the need for special efforts to notify renters was noted.)
- Water saved should not be used to provide for new growth.
- Tiered water rates should be employed.
- More encouragement of native plants and Xeriscapes
- Tougher landscape standards.
- Standardization of landscape standards.
- Penalties for wasting water.
- Water savings goal of 6,600 acre-ft is too low and needs to be reexamined.
- That conservation requirements contained in the MOU need to be included in the new agreement.
- More funding for conservation.
- More analysis of conservation efforts and need for feedback reports.

How 11th Amended Agreement or MOU Addresses Issues:

Long-term conservation is provided in Sections 1.12 and 2.5 of the 11th Amended Agreement. The former section commits water contractors to extend best efforts to secure implementation of Best Management Practices (BMPs) promulgated by the California Urban Water Conservation Council (CUWCC) (or alternatives that secure the same level of savings) as a minimum requirement and provides for a penalty rate surcharge provided the WAC determines efforts by any contractor are unsatisfactory. The latter section provides for financing cost-effective water conservation efforts approved by the WAC as part of the SCWA's operating expense. Allocation of water during a shortage is covered in Section 3.5 entitled "Water Shortage and Apportionment".

In the MOU, Sections 4 (c), 5 (a), 6 and 7 expand water conservation efforts. The requirement to join the CUWCC and sign its agreement regarding implementation of BMPs is added, and certain conservation programs and studies are mandated. Greater funding for conservation programs is provided (subject to WAC approval). Table 1 of Section 4 reapportions water available to the parties during shortage periods expected to be experienced during the summer months over the next 5 years (through the summer of 2005).

Possible Responses to Consider:

1. Include language in the new agreement that would encourage efforts to implement incentive driven programs that go beyond BMP standards.
2. Include language that would encourage and provide funds for pilot programs and a mechanism for funding successful programs.
3. Include provision that water conservation targets will be reexamined and periodically updated.
4. Include language that will assure funding for, creation of and periodic updating of an Integrated Water Resource Plan (IWRP). See section at end of report entitled "Integrated Water Resource Plan" for more information on what an IWRP entails.
5. Include conservation requirements contained in the MOU in the new agreement (The MOU re Interim Impairment contains a number of specific mandatory conservation requirements that go beyond the conservation requirements contained in the 11th Amended Agreement.).
6. Include language that will encourage more coordination and standardization of conservation programs (such as a "one-stop conservation program" website and offer program for contractors who choose to coordinate and standardize programs.
7. Include policy that will standardize landscape efficiency requirements for new construction.
8. Create a separate fund for conservation programs.

Environmental Impacts and Mitigation (35):

Key concerns and comments were:

- Cumulative impacts (including regional impacts) and cost to the environment need to be considered.
- Concern about the Endangered Species Act (ESA) including proper consideration of the impacts of operations particularly the impact of diversions on fish and the plan and cost for dealing with these.
- Potential need for a filtration plant and cost.
- Purchase of watershed lands should be considered in the agreement.
- Increased funding for mitigations is needed.
- Impacts of Rubber dam operation.
- Impacts of flows in Dry Creek.

It is noted that with regard to the transmission project as defined and set forth in the 11th Amended Agreement, the SCWA has complied with all administrative requirements of the California Environmental Quality Act (CEQA). Its actions are now being challenged at the trial court level. Four basic causes of action have been claimed. Two have been litigated and the court found for the SCWA (these pertained to compliance with the requirements of CEQA and the State's Planning Act). The Judge has yet to rule on certain issues pertaining to the Water Code and the State Constitution (public trust

doctrine). It is recognized that this process needs to run its course.

The Biological Assessment being prepared by the SCWA in response to the requirements of the ESA is now expected to be available in draft form by June of next year and a final assessment is expected by September. This report should address impacts on endangered species due to the operation of both existing facilities and facilities authorized under the 11th Amended Agreement. Furthermore it should identify alternative means of addressing these impacts. A workshop is planned next year to address ESA issues once the Biological Assessment is available.

How 11th Amended Agreement or MOU Addresses Issues:

Section 2.2 of the 11th Amended Agreement provides that construction schedules shall be extended as a result of delays caused by any environmental quality regulations or restrictions or litigation resulting in court orders. Section 2.3 provides that with WAC approval, the SCWA may undertake studies and prepare technical reports and environmental documents pertaining to further modifications to the transmission system. Mitigation of impacts of the ESA that may result in construction of new facilities is not specifically addressed in the current agreement.

Section 4.17 (b) of the 11th Amended Agreement provides for the Russian River Projects Charge, which is collected from water contractors outside of Sonoma County in-lieu of tax payments made by residents of Sonoma County. These charges and tax payments go into the Russian River Projects Fund. Section 1.1 (m) of the agreement defines what payments from this fund can be used for. One such use is to pay for fishery mitigation and enhancement projects undertaken by SCWA in the Russian and Eel River and their tributaries.

Possible Responses to Consider*:

1. Include language that will assure funding for, creation of and periodic updating of an IWRP. The plan needs to take into account environmental values and impacts, building on the knowledge now available and determine the best plan for minimizing impacts. The plan then needs to be constantly updated over time.

* The planned workshop addressing ESA issues is expected to result in more “possible responses”.

Watershed Management (30):

The key comments from participants were:

- A watershed management plan is needed for the Russian River. (This was a very dominant theme. In fact more participants responded on this single point than any other issue in any other issue area.)
- Sustainability needs to be the defining goal.
- Funding and support for restoration efforts.
- Emphasize habitat restoration.
- Consider or create some sort of watershed governance organization/solution*.

* Outside scope of negotiation process.

How 11th Amended Agreement or MOU Addresses Issues:

Section 4.17 (b) of the 11th Amended Agreement provides for the Russian River Projects Charge, which is collected from water contractors outside of Sonoma County in-lieu of tax payments made by residents of Sonoma County. These charges and tax payments go into the Russian River Projects Fund. Section 1.1 (m) of the agreement defines what payments from this fund can be used for. One such use is to pay for carrying out SCWA’s channel-stabilization works obligations to the federal and state governments in connection with the Coyote Dam and Warm Springs Dam projects.

Possible Responses to Consider:

1. Include language that will assure funding for, creation of and periodic updating of an IWRP. The plan needs to consider watershed management issues.
2. Request Sonoma County to explore ways and means of addressing regional watershed management and, as part of the negotiation process, address water contractors' responsibility regarding same.
3. Include a methodology for identifying watershed restoration costs appropriately allocable to water contractors that are not or cannot be met from taxes and charges deposited in the Russian River Projects fund or from other appropriate sources.
4. As part of the negotiation process, review SCWA's plans for use of Russian River Project Funds and what role the contractors should play and hence what agreement provisions, if any, should be considered regarding same.

Water Supply (29):

The key comments from participants were:

- Water Contractors should live within the water supply limitations of the River. (A number of participants used the term "watershed" to define that limitation.)
- New agreement needs to provide for a master water supply plan - one that will take into account all demands made on the River and means of meeting those demands including groundwater.
- Pin down water rights.
- Integrate water planning with ground water planning/local supplies.
- Concern over the impact of vineyard irrigation.

How 11th Amended Agreement or MOU Addresses Issues:

Section 2.2 of the Eleventh Amended Agreement commits the SCWA to construct or acquire additions to the existing transmission system sufficient to meet the entitlement provisions set forth in Sections 3.1, 3.2 and 3.12. This commitment is subject to a whole laundry list of provisos. Section 3.1 sets forth the average day during maximum month delivery flow limits and the annual acre-foot caps for each water contractor. The caps are based on estimates of build-out demand under current adopted general plan(s) that cover the water contractor's service area. Some of the general plans contain growth limitations. Section 3.2 provides for entitlement assigned to "other agency customers". These other customers are, for the most part, small private systems distributing domestic water and currently include deliveries to the Town of Windsor. Section 3.12 provides for deliveries to Marin Municipal Water District. Section 3.5 sets forth how water is to be apportioned in the event of shortage and also provides that SCWA will use best efforts to obtain, perfect and maintain appropriate water rights sufficient to make the deliveries provided for in the agreement.

Possible Responses to Consider:

1. In the new agreement, include policy that funds the creation and periodic updating of an IWRP.
2. As part of the negotiation process review information on beneficial uses being made of Russian River waters and Eel River diversions.

Recycled Water (28):

The key comments from participants were:

- Promote and expand use of recycled water.
- Define recycled use plans better.
- Set goals for reuse.
- Upgrading treatment of wastewater so it can be used for ground water recharge.
- Mandate use of recycled water for landscape irrigation.
- Make reuse by agriculture the focus.

How 11th Amended Agreement or MOU Addresses Issues:

Section 2.5 of the 11th Amended Agreement provides SCWA may undertake or fund any cost-effective water conservation measure that will reduce water demands on the transmission system that has been approved by the WAC.

The MOU at Section 5 (a) and a subsequent action taken by the WAC expands this provision to include recycled water supply and local supply projects that offset potable water use and standby local peak month production capacity projects that reduce peak demand on the transmission system. Unless extended by agreement of the parties, the MOU terminates on September 30, 2005.

Possible Responses to Consider:

1. Create a fund for recycled water projects.
2. Include policy to encourage cost-effective recycling.
3. Include language that will assure funding for, creation of and periodic updating of an IWRP.
4. Include the provisions of the MOU in the new agreement.

Agreement Governance (27):

Comments and suggestions included:

- SCWA Board should be separately elected*.
- Upgrade WAC and increase diversity of representation.
- WAC should contain regional representation.
- WAC should be all elected officials appointed by each contractor.
- WAC should be split into a policy committee (elected officials) and technical committee (managers/engineers).
- WAC should not be elected officials.
- Review some “best governance” models.
- Maintain agreement governance in Sonoma County.

* Outside scope of negotiation process.

How 11th Amended Agreement or MOU Addresses Issues:

Part 5 of the 11th Amended Agreement creates WAC and describes its powers, composition (one representative selected by each water contractor) and provides for voting (greater than 50% of votes of WAC members weighted by entitlements and affirmative vote of 5 of the current 9 WAC members). The Powers of the WAC are found in many sections of the agreement and are enumerated in the Background Report made available at Workshop No. 1 (also viewable on new agreement website).

Possible Responses to Consider:

1. Provide for non-voting participation on WAC by person(s) representing environmental and/or regional interests.
2. Provide that WAC is made up of elected officials (one appointed by each party).
3. Provide for two tier WAC: a policy committee of elected officials that meets quarterly and a technical committee that meets monthly.

Financing and Cost Allocations (16):

The key comments from participants were:

- Need for equity between current and future ratepayers. (Most comments on this theme indicated more of the cost burden should be placed on future ratepayers/connectors.)
- Need for equitable distribution of costs among water contractors.
- Budget should include research and development.

How 11th Amended Agreement or MOU Addresses Issues:

At least 20 pages of the 40 page 11th Amended Agreement is devoted to financing and cost allocation matters (all of Part 4 and portions of Part 1, 2, 3 and 5). The agreement requires payment of operating and maintenance (O&M) costs on an acre-ft of use basis. The O&M rate is set annually by SCWA and includes the cost of conservation program support and conservation funds provided to water contractors and approved by the WAC.

The WAC can authorize raising funds via the O&M charge which can be transferred to capital funds designated for financing “Common” and “Storage” facilities. Common facilities are items like diversion facilities and pumps that benefit all system users. Storage facilities are tanks. The agreement assumes these benefit all contractors equally (exception is North Main Water District who is too far away and provides own tank storage). This “pay-as-you-go” mechanism has been much practiced. On the one hand it serves to reduce total costs by eliminating interest on debt and finance charges. On the other, it increases the cost burden of current ratepayers.

Capital outlays for aqueducts have historically been financed by bonds and repaid over time via revenue collected from aqueduct rates. Aqueduct rates differ for water contractors and depend on which aqueduct the contractor is drawing water from. Some aqueducts benefit all or most of the contractors and the debt service on these is prorated on an entitlement basis and allocated to the aqueduct the contractor is served from. The current total rate paid by the water contractors varies from \$359 to \$383 per acre-ft depending on which aqueduct service is provided from.

Section 5 of the MOU expands “pay-as-you-go” approach to include more funds on an annual basis for conservation and opens the door to do the same for recycled water projects and local standby supply projects (wells).

Possible Responses to Consider:

1. Provide for incremental issuance of debt to finance major elements of the transmission system when, as and if they become needed over the next 35 years.
2. Provide for issuance of debt now (and again as necessary in the future) for a sum identified as being appropriate to finance water conservation, recycled water and local standby projects (local projects that reduce peak demand on the transmission system) determined to be cost-effective to implement now.
3. As part of the negotiation process, review how Common, Storage and Aqueduct facility costs are currently allocated and make changes if deemed appropriate by the parties.
4. Review the methodology currently being developed by the WAC for financing and distributing costs for additional conservation, recycled water and local standby supply projects and determine whether making more funds available for these projects up front might dictate a different method of allocating costs – for instance distribution of these costs partly on a uniform basis to all contractors to account for benefits to all contractors (joint costs) and partly on a direct surcharge basis to each of those contractors actually receiving the funds based on benefits enjoyed by each contractor (separable costs).
5. Call out research and development expenditures as a legitimate operating cost in the agreement and provide for advance approval by the WAC.

General Plan Relationships (15):

The key comments from participants were:

- The need to synchronize water plans and general plans.
- Growth inducing impact of increasing supply capacity needs to be considered.
- Limit growth. *

* Not within the scope of negotiation process.

How 11th Amended Agreement or MOU Addresses Issues:

Section 3.1 of the 11th Amended Agreement includes annual acre-foot caps on deliveries to each water contractor. The caps are determined based on build out under current adopted general plans. These caps were introduced with approval of the 11th Amended Agreement.

Section 3.3 (b) of the agreement recognizes the authority of SCWA to physically limit or restrict deliveries in excess of amounts authorized in the agreement.

It is noted that given: (1) the fact that capacity of a pipeline varies as the square of the diameter which means that for a little more money you can obtain a lot more capacity; (2) the fact that paralleling a pipeline facility is very costly; and (3) the fact that general plan horizons are relatively short compared to the life of a aqueduct; it is believed that the method used in the present agreement, which expresses entitlements in terms of maximum month flow capacity based on long term forecasts but caps annual use based on adopted general plan water needs, is very sensible. Accurate development of water demand predictions based on growth allowed in the general plans coupled with enforcement of caps would appear to adequately guarantee that transmission system capacity will not be growth inducing. The issue then seems to boils down to fair and adequate water demand forecasts derived for the general plans and respect for the caps.

Possible Responses to Consider:

1. That the new agreement contain language that would address the need for accurate forecasts of general plan demands including a way of adjusting them if found to be in error.
2. That the provision regarding physical restriction of deliveries be strengthened to assure entitlements will be protected.

Ground Water (14):

The key comments from participants were:

- Study and promote ground water recharge (porous concrete, runoff collection/ percolation were mentioned).
- Measure ground water depletion and replacement.
- Concerns about ground water contamination.
- Fast tract ground water assessment study and increase scope.

How 11th Amended Agreement or MOU Addresses Issues:

Section 2.2 of the 11th Amended Agreement provides ACWA will construct emergency wells with capacities that are from time to time determined by the WAC.

Table 1 of Section 4 of the MOU cites reliable local ground water production capacity and the allocations in the table are based on use of use of same to reduce aqueduct demand during periods of impairment. Section 5 of the MOU sets forth a funding mechanism for developing standby well capacity that will reduce peak month demand on the transmission system. The WAC must suggest the projects and approve funding support.

It is noted that in California, ground water is a property right. Some of the water contractors have developed a number of municipal water supply wells. Some of those are thought to draw water from over

drafted basins and some exhibit taste and odor problems. The SCWA has also developed some ground water well capacity as part of the existing agreement. These wells have demonstrated some taste and odor and sanding problems. The level and use of ground water is not well documented in Sonoma County. The Department of Water Resources did the last major study in 1982. The County has recently joined in a study to develop more current information for a portion of the County.

Possible Responses to Consider:

1. To the extent that ground water studies undertaken by SCWA benefit parties to the agreement, that the agreement provide a mechanism for identifying the appropriate portion of costs to allocate to the each benefiting party. (It is recognized that much of the benefit is for agriculture and for domestic users lying outside of water contractor service areas and that costs appropriately allocated to these beneficiaries would need to come from the County of Sonoma.)
2. That the new agreement recognize the reliable local supply capability of water contractors. (One purpose for doing so is to assist in determining how water should be allocated during certain types of water supply shortages.)
3. That the provisions for WAC approval and funding of standby local peak month production capacity projects contained in the MOU be included in the new agreement and that eligibility for funding be expanded to include non-standby wells (i.e. wells intended to be operated to produce baseline supply).
4. That debt financing of viable local municipal wells be included in the agreement together with equitable repayment arrangements by the benefited party.
5. Include language that will assure funding for, creation of and periodic updating of an IWRP. This plan should take into account information available on ground water resources and the potential utilization of same to reduce peak demands on the transmission system. It should also identify cost-effective conservation programs that could enhance such ground water utilization.

Water Quality (12):

The key comments from participants were:

- Reduce/eliminate harmful discharges.
- Limit summer wastewater flows.
- Concern over increased wastewater problems caused by increasing water supply that promotes growth.
- Proximity of Healdsburg disposal pits a concern.

How 11th Amended Agreement or MOU Addresses Issues:

Section 3.7 of the 11th Amended Agreement provides SCWA will use best efforts to insure that the water quality of deliveries will meet minimum standards for human domestic consumption established by the State and Federal governments.

Possible Responses to Consider:

1. Strengthen and expand language in the agreement regarding water quality and make clear the expectations of water contractors regards aggressive and proactive defense of Russian River water quality.
2. Include language that will assure funding for, creation of and periodic updating of an IWRP.

Potter Valley Project (12):

The key comments from participants were:

- Concern about adverse impacts of Eel River diversions – especially on fish.
- Importance of Eel River diversions to Russian River interests.

- Allow each contractor to opt in or out if Potter Valley Project is acquired.

How 11th Amended Agreement or MOU Addresses Issues:

Section 2.4 of the 11th Amended Agreement provides that all or part of PG&E's Potter Valley Project (Federal Energy and Regulatory Commission project designated No. 77) may be acquired by the SCWA provided the SCWA Board of Directors determines that such acquisition is necessary to insure SCWA's continued ability to make water deliveries authorized by the agreement and provided advance approval of the WAC is obtained. Such a vote would involve the formal approval or disapproval of each WAC member. A positive vote requires more than 50% of the votes (these are weighted based on maximum month entitlements contained in the agreement) plus affirmation by 5 of the 8 WAC members (currently there are 8 WAC members). It can be assumed that such a vote would not occur without the WAC being presented a plan showing costs, allocation of costs and the share of costs that would become an obligation on the water contractors.

It is noted that currently Eel River diversions are under the control of PG&E who owns all of the project facilities (dams/land, diversion facilities, tunnel and power house) and holds the license for power production. Many issues cloud the debate over the Eel River diversions: impact of diversions on reliable supply of agreement water, status of the current Water Supply and Transmission System EIR, relicensing of the Potter Valley Project by the Federal Energy and Regulatory Commission, the Biological Assessment underway and the ultimate Biological Opinion by the National Marine Fisheries Agency, extractions and diversions in Mendocino County, and last but not least impacts on the Eel River and the wishes and desires of Humboldt and Lake County interests.

Possible Responses to Consider:

1. Include language that will assure funding for, creation of and periodic updating of an IWRP. This plan should address the Eel River diversions.

Gravel Mining (11):

The key comments from participants were:

- Adverse impacts of gravel mining practices.
- Need for filtration plant.
- Impact on diversion capacity of collectors.
- Have gravel miners pay restitution and royalty fees. *

* Not in scope of negotiation process.

How 11th Amended Agreement or MOU Addresses Issues:

Gravel mining is not addressed directly in current agreement. However, Section 2.2 provides SCWA will schedule additions and replacement projects so as to maintain a 20 mgd diversion capacity safety factor (i.e. 20 mgd in excess of the average day delivery requirement during the historical maximum month). In making this calculation, demand for surplus water or water delivered in excess of entitlements to water contractors is excluded but deliveries to Marin Municipal Water District is included. Section 3.7 provides SCWA will use best efforts to insure that the water quality of deliveries will meet minimum standards for human domestic consumption established by the State and Federal governments. These sections make it clear that any degradation of water quality or reduction of diversion capacity attributable to gravel mining is adverse to water contractor interests.

It is noted that the County of Sonoma adopted a Revised Aggregate Resource Management Plan in 1994 and is responsible for issuing permits for taking of gravel. Historically, significant mining has occurred upstream of the Ranney collectors. The Year 2000 Aggregate Mining Report shows gravel levels at Mile 23 (Wholer Bridge) and Mile 24.3 (near the new Caisson 6 site) to have dropped about 4 feet in the ten-

year period from 1982 to 1993, a period of heavy upstream gravel extraction. From 1993 to year 2000, depths at these cross-sections recovered to near 1982 levels.

SCWA ascribes decline in capacity at existing Ranney collectors to normal decline in well capacity found in operation of any municipal well. In time, fine material gradually sorts out naturally around well casing perforations (in this case perforations in the laterals that lie in gravel and extend horizontally from the base of the collectors) and this process creates a diminution of capacity. The sorting of fines is not unlike the intentional design employed in building a rolled earth dam where sorted material is placed within the dam to make it virtually impervious to passage of water. Typical maintenance of a municipal well requires periodic recovery of capacity. This process, called redevelopment, is accomplished by hydraulic flushing which involves repeated cycles of jetting water back out through the perforations, surging and then pumping the water the other (normal) direction. Some of the SCWA collectors have been in operation for over 40 years. The SCWA is currently commencing redevelopment of some of the collector lateral capacity.

Possible Responses to Consider:

1. That the new agreement provide for appropriate monitoring and periodic reports on water quality and river bed elevations at cross sections in the vicinity of the upstream collectors and tracking of same over time.
2. Include language that will assure funding for, creation of and periodic updating of an IWRP. This plan should clearly set forth and justify a policy regarding gravel mining insofar as collection and delivery of water through the transmission system is concerned.
3. Strengthen and expand language in the agreement regarding water quality.

Transmission Project Design and Scheduling (8):

The key comments from participants were:

- Tailor projects to local needs.
- Do not force projects ahead of need but schedule as needed.
- Include a construction schedule in the agreement.
- Require local storage.

How 11th Amended Agreement or MOU Addresses Issues:

Section 2.2 of the 11th Amended Agreement provides SCWA will schedule additions and replacement projects to meet the entitlement delivery requirements set forth in Sections 3.1, 3.2 and 3.12 of the agreement. Safety factors or cushions are provided for diversion facility capacity and tank storage capacity. Section 4 (f) of the MOU sets forth three project elements as being of the highest priority. In order of priority they are: construction of Collector 6, construction of that portion of the new parallel Petaluma Aqueduct extending from Russian River/Cotati Intertie Aqueduct (near the intersection of the railroad and East Cotati Ave.) to Eli Booster Station (near intersection of railroad and Ely Road), and construction of that portion of the new parallel Sonoma Aqueduct between Eldridge Tanks and Madrone Road.

Sections 3.1 (b), (c) and (d) provide specific criteria that limits peaking off the transmission system. Section 3.3 (b) provides for liquidated damages equal to 25% of the O&M rate for water contractors who violate the anti-peaking provisions.

Possible Responses to Consider:

1. Include a more specific schedule for planned construction of project elements in the new agreement.
2. Add capacity triggers for planned parallel aqueduct segments to assure segments are built only if needed but ahead of such need.
3. Provide for periodic reporting on capacity trends to assure shortfalls in capacity do not occur.

4. Provide minimum storage requirements (based on an agreed upon factor times average day demand during the peak summer month) together with debt financing and equitable repayment by benefited party.
5. Include language that will assure funding for, creation of and periodic updating of an IWRP.

Basic Agreement Concepts (8):

This category of comments was fundamental to how the agreement works. Some do not fit within the scope of the current negotiation, such as “add waste water services to the agreement” (these are of single purpose benefit to certain areas of Sonoma County and the beneficiaries in those areas pay the costs), or “add recreation facilities to agreement” (these are of general benefit and paid for from county taxes and user fees for the most part). While the SCWA has authority and does exercises powers in both of these areas, it does so without expense to the water contractors. A couple of comments, however, stand out as potential issues to consider. They are:

- 100% approval of the agreement or amendments thereto.
- Defer entering into new agreement until the ESA and/or Potter Valley Project issues are resolved.

How 11th Amended Agreement or MOU Addresses Issues:

Amendment of the 11th Amended Agreement requires approval of all the water contractors and the SCWA. There are two exceptions. Section 2.3 (b) provides that the SCWA may construct or acquire additions to the transmission system that would in essence benefit a single water contractor or group of water contractors provided: (1) said water contractor or group of contractors agree to make additional payments for the benefit; (2) that said construction does not diminish or impair the water supply to any water contractor (unless they agree to same in writing), and (3) such addition/acquisition is not a booster pump or other such device or method that would enlarge or increase the ratio of water taken from the transmission system by one user in relation to other users. (This last proviso is fraught with interpretation problems.) Questions that may arise as to whether such additions to the transmission system require an amendment of the agreement are left to the WAC to decide. The second exception is found in Section 1.6, which provides for unilateral amendment of the annual acre-foot cap by an agreement between the SCWA and the affected water contractor. The purpose of such an amendment must be to conform the cap to a general plan applicable to the service area of such contractor.

As noted under the issue heading entitled “Environmental Impacts and Mitigation”, mitigation of impacts of the ESA that may result in construction of new facilities are not specifically addressed in the current agreement unless they can be construed as additions to the transmission system. Regarding the Potter Valley Project issue, Section 2.4 of the agreement deals with potential acquisition of same as explained in the issue heading entitled “Potter Valley Project”.

Section 2.2 of the agreement provides that no contract for construction of the aqueduct generally paralleling the Sonoma Aqueduct will be awarded with the prior written consent of the City of Sonoma and the Valley of the Moon WD.

It is noted that regarding the issue of waiting until the ESA or Potter Valley Project issues are resolved, one constraint to bear in mind is that the MOU will terminate on September 30, 2005, unless extended by 100% approval of the parties thereto. It would seem prudent to have the new water supply agreement in place before this MOU terminates.

Possible Responses to Consider:

1. Review the “exception” language contained in Section 2.3 (b) regarding additions to the transmission system and make it clearer.
2. Review the language of Section 2.4 regarding the Potter Valley Project to see if changes should be made.
3. Include consideration of ESA impacts in the new agreement. If too much uncertainty exists at the

time negotiations come to a close, consider language that will provide a procedure or mechanism for dealing with this issue in the future.

Better Communications (8):

Virtually all of these comments were directed at SCWA. The key comments from participants were:

- More timely project financial information for water contractors.
- More openness in sharing of information with interested persons.

How 11th Amended Agreement or MOU Addresses Issues:

Section 1.8 of the 11th Amended Agreement provides the Agency will keep proper books, records and accounts and transmit two reports each year to the water contractors on transmission system receipts and expenditures – the first by February 1st, which shall be accompanied by a preliminary budget and the second after the close of the fiscal year. Section 2.3 provides for preparation of studies, technical reports, financial plans, and environmental documents for system facilities. Section 4.1 provides SCWA will establish O&M and capital charges for the ensuing fiscal year by April 30th of the preceding year. Section 5.1 provides that the WAC shall review all proposals set forth by SCWA, which involve a significant capital outlay for the transmission system, or any other project that could significantly change the level of service or impact the O&M or other expenses to be borne by water contractors. Communication of other information is not specifically noted in the agreement although it is implied in many sections – all those providing for WAC approvals for instance (Sections 1.1 (m), 1.12, 2.2, 2.3 (a), 2.3 (b), 2.4, 2.5, 3.12, 4.1 (c), 4.2 (b), 4.3 (e), 4.4 (e), 4.5 (e), 4.6 (e), 4.10 (e), 4.11 (b), 5.1 (b), and 5.3 (e) of the 11th Amended Agreement and Sections 4 (c) and 5 (a)).

Possible Responses to Consider:

1. Include language in the agreement regarding provision of information on a timely basis.
2. Review adequacy of current reporting requirements and consider appropriate amendments.
3. Memorialize a recent practice of SCWA – namely development of a website and posting of information.

Vision Statement (6):

These comments were broad in nature addressing the overall vision of the new agreement and have been considered in preparing the draft Vision Statement (see subsequent Section entitled “Vision Statement”).

Flood Control (5):

The key comments from participants were:

- Concerns about increase flooding impacts due to expanded development.
- Consider adding to agreement. *

* Not within scope of negotiation process.

How 11th Amended Agreement or MOU Addresses Issues:

Not addressed in current agreements.

Possible Responses to Consider:

1. Include language that will assure funding for, creation of and periodic updating of an IWRP.

Website

SCWA staff has updated the website to include the background information provided at Workshop No. 1, slides presented, and comments received - both at the workshop and via the comment box provided at the website.

In all, nine comments were posted at the website at the time this report was prepared. These can be viewed in their entirety at the New Agreement website (Public Outreach tab). Copies of these are included in this report as Attachment 5. The nine comments are quite lengthy and total 13 pages. These have not been included in section of this report entitled "Recap and Discussion of Comments". They run the gamut from descriptions of conversations between participants at the workshop to very specific recommendations. Some repeat comments a given participant already made at the workshop, a number focus and comment on the workshop process. Some provide some new insights and suggestions to consider. A recap of the latter follows:

1. Limits should be placed on vineyard development (major water user).
2. Creation of a regional water policy organization comprised of elected officials.
3. New water agreement should await completion of new county and various city general plans due to be completed in 3 years.
4. The modernist world view that supports the industrial prowess needs to transition to an ecological world view if we are to truly improve the quality of life and achieve sustainability and we should not be adverse to trying new solutions with some risks to achieve this.
5. Even though we do not know what the "carrying capacity" is, we do know there is a limit and the fact that the correct direction to avoid the consequences of same is to become more efficient, reduce our use of resources, restore natural systems we can and promote diversity.
6. Our goal should be to achieve peak aqueduct demand as soon as possible and thereafter gradually reduce demand.
7. Consider rewarding water contractors who use less (per capita or some other objective measure or mix of measures) with overcharges collected from those who use more.
8. Need good performance measuring techniques to determine the effectiveness of conservation strategies.
9. Even though environmental benefits cannot often be quantified in dollars, we often nevertheless see significant costs incurred to accommodate environmental policy goals (Example: ESA mitigation determination and costs). These costs should be included in the cost-benefit analysis when comparing investments in conservation and recycling vs. surface water based alternatives.
10. Require all new hookups to have a zero footprint on source demand by paying for offset conservation.
11. Water contractors should provide services that promote efficiency and ease of customer achieving same.
12. Adopt restoration of the Eel River fishery as a goal.
13. Adopt Ethic: We the Contractors of SCWA, recognize that as consumers of Sonoma County's water resources, we have an obligation to insure that those resources remain available in perpetuity for future generations.
14. Adopt a Charter of Stewardship: We charter the SCWA to be the steward of our County's water resources, rather than a water utility. It is charged with implementing water management and conservation that allow us to live our Water Ethic.
15. Adopt a Water Conservation Plan: We the contractors of SCWA wish to enable the County to reclaim water at the following rate of increasing return: (2001 - 2%, 2002 - 5%, 2003 - 7.5%, 2004 - 10%, 2005 - 15%, 2006 - 15%, 2007 - 20%, 2008 - 24%, 2009 - 28%, 2010 - 30%).

Vision Statement

It is recommended that a Vision Statement be adopted to guide the parties in creating and carrying out the new agreement. Based on the experience of JONWRM, what was heard at Workshop No. 1, what was seen in the commentary, and with input from Professor Jacobson, a draft Vision Statement has been prepared and is recommended for review and comment by the parties and interested persons (see

Attachment 6). It is recommended that, after hearing further public comment on this draft and obtaining comments from the parties, consensus on a final vision statement be sought and the resultant statement be considered for approval by each party (motion or resolution). After negotiating the new agreement, the Vision Statement should be reviewed and updated if necessary.

Integrated Water Resource Plan

Contained in many of the “possible responses to consider” offered in the section entitled “Recap and Discussion of Comments” is the suggestion that the parties provide in the agreement a commitment to fund, create and periodically update an Integrated Water Resource Plan. The main purpose of such a plan would be to reexamine both demand-side and supply-side alternatives and impacts and come up with the current best mix that gives due consideration to the basic goal of finding the least cost solution that provides for the needs of the water contractors and the customers they serve and provides a sustainable solution for those who follow. Such an examination entails an updated evaluation of the cost effectiveness of demand management options (both those that decrease demand for water by long term voluntary and mandatory means and those that decrease demand during short term events, such as in the case of a drought), and water supply options such as ground water, recycled water, desalted water and surface water.

The plan needs to be developed with opportunity for representative input from all stakeholders and take into account agriculture and other beneficial uses made of Russian River waters including in-stream uses. Major issues such as watershed management, ESA requirements and inter-basin transfers such as the Eel River diversions need to be considered. It is believed such a plan can optimize the scheduling of certain elements of the water supply and transmission system and may defer certain elements beyond the 35 year construction period currently envisioned or even eventually eliminate the need for some elements entirely. Such a plan will never be perfect and never satisfy all stakeholders and the best way to correct shortcomings is to update the plan, or appropriate elements of the plan on a regular basis as needed (every 5 years or so). This kind of effort is not without significant cost, but the complexity of use and dependence on a resource that has exhibited inability to sustain all demands made of it dictates such a commitment and undertaking.

This concludes the report on Workshop No. 1.

Sincerely,

John Olaf Nelson

Tables:

1. Attendance at Workshop No. 1
2. Overall Count by Main Issue/Comment Area
3. Key Issues
4. Breakdown by Issue/Comment Area

Attachments:

1. Notice - Workshop No. 1
2. Agenda - Workshop No. 1
3. Actual Comments Received from Participants - Workshop No. 1
4. Questions and Data Queries Included in Comments
5. Comments Received at New Agreement Website
6. Draft Vision Statement

Table 1 - Attendance at Workshop No. 1 (1)

Who	Participants	%
Elected Officials	5	5%
Water Contractor's Staff	19	18%
Other Government (2)	11	11%
Business	5	5%
Environmental Orgs & Non-profits	18	17%
No Affiliation stated (3)	23	22%
Students (Rancho Cotati High School)	5	5%
Newspapers/TV	3	3%
sub-total	89	
Workshop team (4)	14	14%
Total Estimated Attendance	103	100%

Notes:

- (1) 4,692 Notices were direct mailed. Lists supplied by WAC.
- (2) Planning commissions/staff, regulatory, etc.
- (3) Included a number of persons belonging to environmental organizations
- (4) Tom Jacobson, SSU Student Assistants (9), John Nelson, Virginia Porter, Kate Hook and Jennifer Wilcox

Table 2 - Overall Count by Main Issue/Comment Area

Issue/Commnet Area	Comments
Conservation	62
Environmental Impacts and Mitigations	35
Watershed Management	30
Water Supply	29
Recycled Water	28
Agreement Governance	27
Financing and Cost Allocation	16
General Plans	15
Ground Water	14
Water Quality	12
Potter Valley Project	12
Gravel Mining	11
Project Design and Scheduling	8
Agreement Concepts	8
Better Communication	8
Vision Statement	6
Flood Control	5
Workshop No 1 Process	15
Misc Other	13
Total*	354

* In addition there were 26 questions tendered
plus 9 inquires concerning data needs/desires.

Table 3 - Key Issues

Conservation

- Support and urging for more conservation incentives
- More public education/involvement, more effort to notice renters of offers
- Don't use saved water for growth
- Support for Tiered Rates for users

Environmental Impacts and Mitigations

- Concern for cumulative regional impacts, wildlife impacts, cost to environment, plan re ESA
- ESA impact on need for Filtration Plant and cost
- Impact of Diversions from Russian River on fish

Watershed Management

- Need Watershed Management Plan
- Goal should be sustainability

Water Supply

- Live within limits of watershed/available supply
- Need Regional Master Water Plan/Policy
- Clear up water rights, pin down in agreement

Recycled Water

- Promote and expand use of recycled water
- Define recycled use plans better. Set goals.
- Upgrade treatment of wastewater and use for ground water recharge

Agreement Governance

- SCWA should have separate board elected by voters
- Upgrade WAC, improve diversity of representation

Financing and Cost Allocation

- Equity between current and future customers a concern. Current customers too burdened.
- Equitable cost distribution among contractors a concern

General Plan Relationships

- Synchronization, relationship of water plans and General Plans a concern
- Growth inducing impacts of increasing water supply are a concern
- Limit growth

Ground Water

- Study/promote ground water recharge including construction of detention ponds
- Measure ground water depletion and replacement

Water Quality

- Reduce/eliminate harmful chemical discharges, pharmaceuticals, etc

Potter Valley Project

- Concerns about Eel River diversion impacts on Eel River
- Importance of Eel River to Russian River interests

Gravel Mining

- Impact of gravel mining practices on need for filtration plant, cost
- Gravel mining impacts on River water quality and environment

Transmission Project Design and Scheduling

- Need to tailor Transmission Project scheduling to local needs. Don't force projects.

Better Communication

- Better communication by SCWA of financial information to contractors and others
- Better sharing by SCWA of information

Flood Control

- Concerns about flooding impacts due to expanded development

Table 4 - Breakdown by Issue/Comment Area

Issue Area	Subset	No.
Conservation		
	Support for and more conservation incentives	11
	Public education/involvement, more effort to notice renters of offers, offer devices countywide	8
	Don't use saved water for growth	8
	Tiered Rates for end users	6
	Encourage natives, Xeriscapes, consistent, tougher landscape standards	5
	Penalties for waste	3
	More funding, raise price of water, equitable distribution of funds	3
	Report card for Contractors, for Customers, for Directors	3
	Reexamine Savings Goal, too little?	2
	Make MOU Conservation requirements part of new agree.	2
	Standards for "Unaccounted for water", leaks	2
	Drought preparation, including financial impacts	2
	Focus on reducing peak demand	1
	Consider banking water saved (customer by customer)	1
	Mandate ULFT retrofit at time of sale	1
	Real time feedback on water use, limits	1
	Fund conservation research	1
	Analyze C/E and rank alternative programs periodically.	1
	Efficiency programs for vineyard irrigation	1
	Total	62
Environmental Impacts and Mitigations		
	Cumulative regional impacts, wildlife impacts, cost to environment, plan re ESA	7
	ESA impact on need for Filtration Plant and cost	5
	Impact of Diversions on Russian River fish	5
	Purchase watershed lands	4
	Increase funding support	2
	Impacts in Dry Creek, build filtration plant at Warm Springs	2
	ESA impact on Rubber Dam ops, impact of summer dams	2
	Measure environmental degradation due to water supply system	1
	Erosion control/repair/restoration projects	2
	Minimize flow variations to help fish	1
	Restoration of wetlands	1
	Acquire flow rights for fish	1
	Explore bio-diesel fuel instead of diesel fuel	1
	Examine agriculture practices impacts	1
	Total	35
Watershed Management		
	Need Management Plan	14
	Goal: Water Supply forever (sustainability)	5
	Restoration fund/increase funding, include fund in agreement	3
	Emphasize habitat restoration, clean up river	3
	Consider Watershed governance, work w stakeholders to develop indicators defining success	3
	Planned reductions in withdrawals	1
	Incentives/penalties for good watershed practices	1
	Total	30

Table 4 - Breakdown by Issue/Comment Area Continued

Water Supply	
Live within limits of watershed/available supply	11
Regional Master Water Plan/Policy	4
Clear up water rights, pin down in agreement	4
Integration w Ground Water planning, local projects, desalinization	3
Impact of vineyards	2
SCWA should enforce contract provisions, entitlements/water rights	2
Fairness in distribution of avail. Water for growth	1
Consider moratorium on new connections	1
Expand aqueducts into unincorporated county area	1
Total	29
Recycled Water	
Promote and expand	8
Define better. Set goals.	5
Upgrade treatment. Distribute for ground water recharge	4
Promote agriculture use, mandate for landscape irrigation	3
Support/promote gray water reuse	3
Increase funding support (equate to other alternatives)	3
Consider scalpings plants for local irr.	1
Analyze Cost/Effectiveness, prioritize projects	1
Total	28
Agreement Governance	
Should be separate elected board	10
Upgrade WAC, diversify	4
WAC should be elected officials	3
Regional Representation Board	2
Have WAC appoint SCWA Bd?	1
Bifurcate WAC into Policy Com. (elected officials) and Technical Com. (Engineers/Managers)	1
Maintain governance in Sonoma County by Sonoma officials	1
Chairperson of WAC has too much power	1
WAC shouldn't make policy	1
WAC should not be elected officials	1
WAC need better understanding of SCWA	1
Look at some "best governance" models	1
Total	27
Financing and Cost Allocation	
Equity between current and future customers	7
Equitable cost distribution among contractors	4
Budget should include research and development	2
Method of Borrowing	1
Marin should continue to pay more	1
Budget should not depend on water sales	1
Total	16
General Plans	
Synchronization, relationship of water plans and General Plans	3
Growth inducing impacts	3
Limit growth	3
Tie to new agreement	1
Regional review of all GPs re water	1
Consider cost of water when drawing up new General Plans	1

Table 4 - Breakdown by Issue/Comment Area Continued

Equitable rates of growth for different users	1
Related impacts on traffic	1
Land use decision agencies have conflict re. need for growth dollar income)	1
Total	15
Ground Water	
Study/promote recharge. Construct detention ponds for recharge	4
Measure depletion and replacement	3
Ground water contamination and impacts	2
Fast track ground water assessment study. Increase scope.	2
Role and impact on water supply agreement	1
Failing wells in county plan area	1
Moratorium on building permits until assessment done	1
Total	14
Water Quality	
Reduce/eliminate harmful chemical inflows, pharmaceuticals, etc	3
Summer wastewater flow limits	2
More supply/use increases wastewater	2
Proximity of Healdsburg sewer ponds, use of gravel pits for sewage disposal	2
Control wastewater releases	1
Don't allow discharge from Geyser pipeline	1
Taste and odor (chlorine)	1
Total	12
Potter Valley Project	
Concerns about Eel River diversion impacts	8
Importance of Eel River to Russian River interests	2
Allow each contractor to opt in or out of any PVP acquisition	1
Role of Eel River diversions	1
Total	12
Gravel Mining	
Impact on need for filtration plant	4
Gravel mining impacts on River	3
Impact on diversion capacity	2
Gravel miners pay restitution and royalty fees	1
Restore gravel beds. Increase river aquifer zone.	1
Total	11
Transmission Project Design and Scheduling	
Tailor to local needs. Don't force projects. Expand to meet needs.	6
Construction schedule should be in agreement	1
Require local storage	1
Total	8
Basic Agreement Concepts	
Review unanimous approval requirement re agreement amendment.	1
Agreement should await resolution of ESA and PVP issues.	1
Agreement should be operational agreement based on General Plans	1
Must balance needs including environmental and agricultural	1
Include recreation on SCWA lands in agreement	1
Consolidate and simplify current agreements	1
Include cost of waste disposal in agreement	1
Include Sebastopol and other non-contractors	1
Total	8

Table 4 - Breakdown by Issue/Comment Area Continued

Better Communication:	
Financial information to contractors	3
Sharing of information	3
Consistency of information	1
SCWA website needs more info	1
Total	8
Vision Statement	
Acknowledge all the beneficial uses of the Russian River	1
View recycled water as a resource	1
We need to use less, recycle and NOT deplete the Eel River or ground water, build in flood planes, cut trees on hillsides, replace trees with grapes, gravel mine the Russian River.	1
Resource to be managed vs. product to sell	1
Cycle not linear model	1
Future plan should be sanctioned as noble by the Native American	1
Total	6
Flood Control	
Flood control concerns due to expanded development	2
Consider adding to agreement	1
More natural flood control solutions	1
Include habitat restoration in flood control projects	1
Total	5
Workshop No. 1 Process	
Need more information to fully participate. Terms too technical.	2
Slides too wordy/hard to see	2
Too structured	1
Lots of questions/concerns but don't know how to fit them in process offered	1
Acoustics of SR Vet Memorial auditorium were bad	1
Public should write own comments and be able to circulate/talk with knowledgeable staff	1
Recorders did not know terminology	1
Brainstorming groups should have been smaller	1
Seats too hard	1
One group leader broke rules and argued with participants	1
Agency "plant" in my group	1
Questions too technical	1
Asking what worked good in contract made me feel manipulated	1
Total	15
Misc. Other	
Irrigate Redwoods to increase infiltration to ground water.	1
Plan for unknown	1
Discuss/consider issues beyond regulatory constraints	1
No new effective environmental practices	1
Interests other than human should be lobbied	1
All documents handed out in workshop are inaccurate.	1
Board of Supervisors is the fundamental problem	1
WAC- Cities supporting each other re active encouragement of growth and development to stimulate local revenues vs. stimulation for environmental conservation, etc.	1
Way question introduced is plug for good job SCWA is doing - manipulation.	1
Decentralize wastewater treatment and water supply/distribution	1
Resources Board to take 20000 acre/feet from Lake Sonoma?	1
It is amazing how much misinformation is commonly accepted regarding the water system.	1
Information on all contracts, lobbying efforts by outside groups, businesses, etc.	1
Total	13
Grand Total	354

Attachment 1 – Notice for Workshop 1

(To view this attachment, exit this document and click on “Notice for Workshop 1”)

Attachment 2 – Agenda for Workshop 1

(To view this attachment, exit this document and click on “Agenda for Workshop 1”)

Attachment 3 – Actual Comments Received from Participants – Workshop 1

(To view this attachment, exit this document and click on “Comments Received at Workshop”)

Attachment 4

Questions Received at Workshop No. 1 held on Sept. 20, 2001

The following questions were asked during the brainstorming sessions – either orally or submitted on 3x5 cards.

1. Is funding available in New Agreement for adequate watershed protection or restoration?
Upslope acquisition?
2. What is demand projection for 2037?
3. What is a “water shortage”?
4. What about desalinization?
5. Does 2-year debt payoff include Lake Sonoma?
6. What happens to excess water allocations?
7. Is industrial cost the same as residential?
8. What happens to conserved water?
9. How does the conserved amounts compare to new development?
10. Will vineyards continue to grow even though they are 1 of 3 biggest users of water?
11. Have all the contractors received conservation money from the SCWA? Is it equitably apportioned?
12. How does Eel River play into water issues?
13. Percent of total flow of Eel that is diverted?
14. What studies are done to show the effects of building in flood plains? What have the impacts been of allowing building in flood plains, e.g. Petaluma and Cotati?
15. What provisions are, or will be in place to minimize water supply shortages during drought years?
16. Who polices water rights?
17. Does WAC operate under Brown Act?
18. How will agency deal with SB221?
19. Resources Board to take 20,000 acre-ft from Lake Sonoma?
20. Are recreational uses being considered in the agreement?
21. How much water is being taken from the Eel River and what is the effect of the Eel River on the Russian River?
22. What is being done to fix leaks?
23. What is being done to recycle water, use natural plant-based methods for cleaning water?

24. What has the impact of grape growing been on the water use in Sonoma County?
25. How much natural habitat has been lost in wetlands and surrounding areas?
26. Why is amount of water needed?

Data Needs Cited at Workshop No. 1 held on Sept. 20, 2001

The following data needs were cited during the brainstorming sessions – either orally or submitted on 3x5 cards.

1. Projection and water consumption for land uses throughout North Bay.
2. Would like to see models and case studies from other cities and communities.
3. Economic comparison between gravel mining and its economic benefit to ratepayers and the costs of a filtrating system.
4. Benefit from analytical framework to consistently rank cost effectiveness of competing conservation alternatives.
5. Information regarding offshore fisheries.
6. What is happening to groundwater levels and how replenished?
7. How do artificial Russian River flow regimes affect wildlife, fish, riparian and the environmental situation?
8. What happens if ESA forces the rubber dam to close and stop/reduce releases into Dry Creek?
9. Need a breakdown of water uses of grapes, other agriculture, domestic, golf courses, industry, etc.

Attachment 5 – Comments Received at New Agreement Website

(To view this attachment, exit this document and click on “Comments Received on Website”. The first nine comments were received as a result of Workshop 1.)

Attachment 6 – Draft Vision Statement

(To view this attachment, exit this document, then click on “Vision” tab.)